


United States Bankruptcy Court
61288, Houston TX 77208SOUTHERN DISTRICT OF TEXAS P.O.Box
(Houston Division)

PROOF OF CLAIM

Name of Debtors <input checked="" type="checkbox"/> Stage Stores, Inc., a Delaware corporation <input type="checkbox"/> Specialty Retailers, Inc., a Texas corporation <input type="checkbox"/> Specialty Retailers, Inc. (NV), a Nevada corporation *place an "x" beside the name of the Debtor you are filing a claim against		Case Number 00-35078-H2-11 00-35079-H2-11 00-35080-H2-11	788-33013 Creditor ID#: United States Bankruptcy Court Southern District of Texas FILED AUG 03 2000 Michael N. Milby, Clerk
Name of Creditor (The person or other entity to whom the debtor owes money or property): Kathy Carrel C/O Terrell Stubbs	Check box if you are aware that anyone else has filed a proof of claim relating to your claim. Attach copy of statement giving particulars.		
Name and address where notices should be sent: *****AUTO**3-DIGIT 390 Kathy Carrel C/O Terrell Stubbs 122 Court Ave P.O. Box 157 Mendenhall MS 39114-3636 	Check box if you have never received any notices from the bankruptcy court in this case Check box if the address differs from the address on the envelope sent to you by the court.		
Account or other number by which creditor identifies debtor:		Check here if this claim replaces or amends a previously filed claim, dated:	
1. Basis for Claim <input type="checkbox"/> Goods sold <input type="checkbox"/> Services performed <input type="checkbox"/> Money loaned <input checked="" type="checkbox"/> Personal injury/wrongful death <input type="checkbox"/> Taxes <input type="checkbox"/> Other		<input type="checkbox"/> Retiree benefits as defined in 11 U.S.C. § 1114(a) <input type="checkbox"/> Wages, salaries, and compensation (Fill out below) Your SS#: _____ Unpaid compensation for services performed from _____ (date) to _____ (date)	
2. Date debt was incurred: May 26th, 1999		3. If court judgment, date obtained: N/A	
4. Total Amount of Claim at Time Case Filed: \$ 75,000.00 If all or part of your claim is secured or entitled to priority, also complete Item 5 or 6 below. <input type="checkbox"/> Check this box if claim includes interest or other charges in addition to the principal amount of the claim. Attach itemized statement of all interest or additional charges.			
5. Secured Claim. <input type="checkbox"/> Check this box if your claim is secured by collateral (including a right of setoff). Brief Description of Collateral: <input type="checkbox"/> Real Estate <input type="checkbox"/> Motor Vehicle <input type="checkbox"/> Other All personal and intangible property of Debtor's Estate Value of Collateral: \$ _____ Amount of arrearage and other charges at time case filed included in secured claim, if any \$ _____		6. Unsecured Priority Claim. <input type="checkbox"/> Check this box if you have an unsecured priority claim Amount entitled to priority \$ _____ Specify the priority of the claim: <input type="checkbox"/> Wages, salaries, or commissions (up to \$4,300)* earned within 90 days before filing of the bankruptcy petition or cessation of the debtor's business, whichever is earlier - 11 U.S.C. § 507(a)(3) <input type="checkbox"/> Contributions to an employee benefit plan - 11 U.S.C. § 507(a)(4) <input type="checkbox"/> Up to \$1,950* of deposits toward purchase, lease, or rental of property or services for personal, family, or household use - 11 U.S.C. § 507(a)(6) <input type="checkbox"/> Alimony, maintenance, or support owed to a spouse, former spouse, or child - 11 U.S.C. § 507(a)(7) <input type="checkbox"/> Taxes or penalties owed to governmental units - 11 U.S.C. § 507(a)(8) <input type="checkbox"/> Other - Specify applicable paragraph of 11 U.S.C. § 507(a)-_____ *Amounts are subject to adjustment on 4/1/98 and every 3 years thereafter with respect to cases commenced on or after the date of adjustment.	
7. Credits: The amount of all payments on this claim has been credited and deducted for the purpose of making this proof of claim.		This Space is for Court Use Only	
8. Supporting Documents: Attach copies of supporting documents, such as promissory notes, purchase orders, invoices, itemized statements of running accounts, contracts, court judgments, mortgages, security agreements, and evidence of perfection of lien. DO NOT SEND ORIGINAL DOCUMENTS. If the documents are not available, explain. If the documents are voluminous, attach a summary.		9. Date-Stamped Copy: To receive an acknowledgment of the filing of your claim, enclose a stamped, self-addressed envelope and copy of this proof of claim.	
Date 7/21/00	Sign and print the name and title, if any, of the creditor or other person authorized to file this claim (attach copy of power of attorney, if any): Terrell Stubbs		
Penalty for presenting fraudulent claim: Fine of up to \$500,000 or imprisonment for up to 5 years, or both. 18 U.S.C. §§ 152 and 3571.			

UNITED STATES BANKRUPTCY COURT

Southern District of Texas

Notice of Chapter 11 Bankruptcy Case, Meeting of Creditors, & Deadlines

A chapter 11 bankruptcy case concerning each of the debtor corporations listed below was filed on June 1, 2000

You may be a creditor of one or more of the debtor(s). This notice lists important deadlines. You may want to consult an attorney to protect your rights. All documents filed in the cases may be inspected at the bankruptcy clerk's office at the address listed below.

NOTE: The staff of the bankruptcy clerk's office cannot give legal advice.

See Reverse Side For Important Explanations.

Debtor (name(s), case numbers and address):

Stage Stores, Inc., a Delaware corp.; Case No. 00-35078-H2-11
Specialty Retailers, Inc., a Texas corp.; Case No. 00-35079-H2-11
Specialty Retailers, Inc. (NV), a Dallas corp.; Case No. 00-35080-H2-11
10210 Main Street
Houston, TX 77025-5229
Toll Free Number: 1-800-804-2013 (for case information)

Jointly Administered Under
Case Number 00-35078-H2-11

Taxpayer ID Nos:

76-0407711 (Stage Stores, Inc.)
74-0821900 (Specialty Retailers, Inc.)
91-1826900 (Specialty Retailers, Inc. (NV))

Attorney for Debtors (name and address):

Andrew E. Jillson, Esq.
Lynnette R. Warman, Esq.
Jenkins & Gilchrist, a Professional corporation
1445 Ross Avenue, Suite 3200
Dallas, TX 75202-2799

Attorneys for Debtors Telephone Number:

Toll Free 1-877-559-9672

Information may also be obtained from the
following website:

Website address: www.stagestoresbankruptcy.com

Meeting of Creditors

Date: 7 / 11 / 00 Time: 2:00 () A.M.
(X) P.M.

Location: U.S. Courthouse
Jury Assembly Room
515 Rusk, 6th Floor
Houston, Texas 77002

Deadlines to File a Proof of Claim

Proofs of Claim must be *received* by the bankruptcy clerk's office by the following deadline:

For all creditors (except a governmental unit): 10/9/00

For a governmental unit: 11/28/00

Mail claim to: U.S. Bankruptcy Court
P.O. Box 61288
Houston, TX 77208

Creditors May Not Take Certain Actions:

The filing of the bankruptcy case automatically stays certain collection and other actions against the debtor and the debtor's property. If you attempt to collect a debt or take other action in violation of the Bankruptcy Code, you may be penalized.

Address of the Bankruptcy Clerk's Office:

515 Rusk Avenue
1st Floor
Houston, Texas 77002
Telephone number: 713/250-5115

For the Court:

Clerk of the Bankruptcy Court:

Michael N. Milby, Clerk

Hours Open: 9:00 a.m. - 4:30 p.m.

Date:

FILE COPY

IN THE CIRCUIT COURT OF SIMPSON COUNTY, MISSISSIPPI

KATHY CARRELL

PLAINTIFF

VS.

NO. 2000-44

*STAGE STORES, INC. AND
DARNELL RANDALL*

DEFENDANTS

COMPLAINT

COMES NOW, Kathy Carrell, by and through her attorney, and files this her Complaint against, Defendants, Stage Stores, Inc, and Darnell Randall, and in support of said Complaint would show as follows:

I.

Plaintiff, Kathy Carrell, is an adult resident citizen of Simpson County, Mississippi.

II.

Defendant, Stage Stores, Inc., is a Texas Corporation doing business in the State of Mississippi and may be served with process by serving its Chairman, President, and Chief executive Officer, Carl E. Tooker at 10201 Main Street, Houston, TX 77025.

FILED

FEB 15 2000

SIMPSON COUNTY CIRCUIT COURT

III.

Defendant, Darnell Randall, is an adult resident citizen of Simpson County, Mississippi.

IV.

At all times mentioned herein, Defendant, Darnell Randall, was acting in the scope and course of her employment with Defendant, Stage Stores, Inc. and as its agent.

V.

Plaintiff, Kathy Carrell, was employed by Defendant, Stage Stores, Inc. as a sales associate during 1999 in Defendant's Magee, Mississippi Store (#270). Plaintiff's immediate supervisor during said employment was Defendant, Darnell Randall.

VI.

During the early part of 1999, Plaintiff was recognized by her employer as associate of the first quarter (February - April 1999). Plaintiff always performed her job in a capable and meritorious manner and fulfilled all conditions of her employment.

VII.

Notwithstanding her exceptional work record, on or about May 26th, 1999, Defendant, Stage Stores, Inc., by and through its agent, and employee, Defendant, Darnell Randall, falsely accused Plaintiff, Kathy Carrell, of stealing funds of her employer and terminated Plaintiff's employment with

Defendant, Stage Stores, Inc.

CLAIM 1 - WRONGFUL DISCHARGE

VIII.

Plaintiff realleges and incorporates herein by reference paragraphs I through VII of this Complaint as if fully set forth.

IX.

Plaintiff agreed to work for Defendant as a sales associate and for which Defendant, Stage Stores, Inc. agreed to pay Plaintiff compensation during the course of her employment. Plaintiff was frequently told by her superiors that she was doing an excellent and meritorious job as a sales associate. As a result of the above representations, Plaintiff reasonably relied on Defendants' promise of job security. Plaintiff in good faith, relied upon these representations and believed them to be true.

X.

Plaintiff's reliance on, belief in and acceptance in good faith of all the assurances, promises and representations as made by Defendants led Plaintiff to reasonable believe that her employment was secure.

XI.

Plaintiff undertook and continued employment and duly performed all the conditions of her employment. Defendants failed to carry out their responsibilities of the employment agreement by wrongfully discharging Plaintiff on or About May 26th, 1999, despite Plaintiff's excellent job performance.

***CLAIM 2 - BREACH OF
GOOD FAITH AND FAIR DEALING***

XII.

Plaintiff realleges and incorporates herein by reference paragraphs 1 through XI of this Complaint as if fully set forth.

XIII.

Under the terms of Plaintiff's employment with Defendant, Stage Stores, Inc., Defendants owed to Plaintiff a duty of good faith and fair dealing.

XIV.

Good faith and fair dealing was due Plaintiff because of, but not limited to Plaintiff's outstanding performance for Defendants, and Defendants' policies of dealing in good faith with its employees.

XV.

Defendants' discharge of Plaintiff from her employment was wrongful, and in bad faith, arbitrary and unfair and therefore in breach of the duty of good faith and fair dealing in that:

- a. Plaintiff was terminated without just or legitimate cause; and
- b. Plaintiff was terminated in violation of Defendants' policy to deal consistently and fairly with its employees and in good faith.

***CLAIM 3 - INTENTIONAL INTERFERENCE WITH BUSINESS
RELATIONS AGAINST DEFENDANT, DARNELL RANDALL***

XVI.

Plaintiff realleges and incorporates herein by reference paragraphs I through XV of this Complaint as if fully set forth.

XVII.

Defendant, Darnell Randall, intentionally interfered with the employment relationship between Plaintiff and Defendant, Stage Stores, Inc., by causing Plaintiff's wrongful discharge.

XVIII.

Defendant intentionally, and with malicious motive, interfered with Plaintiff's employment, resulting in Plaintiff being wrongfully discharged.

XIX

Defendant, Darnell Randall, committed the act alleged above maliciously, fraudulently, intentionally and with gross negligence and acted with an improper and evil motive amounting to malice and in total disregard of Plaintiff's rights. Because the acts taken toward Plaintiff were carried out in such a manner, Plaintiff is entitled to recover punitive damages from Defendants.

CLAIM 4 - INFLICTION OF EMOTIONAL DISTRESS

XX

Plaintiff realleges and incorporates herein by reference paragraphs I through XIX of this Complaint as if fully set forth.

XXI.

Defendants, wrongful discharge of Plaintiff caused Plaintiff to suffer severe emotional and mental distress.

CLAIM 5 - SLANDER AND DEFAMATION

XXII.

Plaintiff realleges and incorporates herein by reference paragraphs I through XXI of this Complaint as if fully set forth.

XXIII.

Defendant, Darnell Randall, acting as agent and employee and within the scope and course of her employment, did falsely accuse Plaintiff of taking or stealing money from Defendant, Stage Stores, Inc., and made such defamatory statements to one or more other people and in doing so defamed and slandered Plaintiff, causing severe damage to her reputation and her mental and emotional well being.

XXIV.

At the time such slanderous and defamatory statements were made, Defendant acted with malice, willful, wanton and reckless disregard for the rights of Plaintiff, therefore, Plaintiff is entitled to punitive damages.

WHEREFORE PREMISES CONSIDERED, Plaintiff demands judgment against Defendants in the amount of \$50,000.00 actual damages and \$25,000.00 punitive damages plus interest and all cost.

Respectfully submitted,

KATHY CARRELL


BY: TERRELL STUBBS, ATTORNEY FOR
KATHY CARRELL

PREPARED BY:

TERRELL STUBBS
Attorney at Law
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